

Message Text

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PAGE 01 LAGOS 06959 211336Z

ACTION AF-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03

SP-02 LAB-04 EPG-02 SIL-01 OMB-01 IGA-02 NSC-05

SS-15 STR-04 CEA-01 L-03 H-01 PRS-01 PA-01

AGRE-00 /087 W

-----026849 211352Z /46

R 211001Z JUN 77

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC 1834

LIMITED OFFICIAL USE LAGOS 6959

E.O. 11652: N/A

TAGS: EINV, NI

SUBJECT: COLGATE-PALMOLIVE TO END NIGERIAN MANUFACTURING OPERATION

1. COLGATESAFRICAN-MIDDLE EAST VICE PRESIDENT EARL SENIOR AND LOCAL ACTING MANAGING DIRECTOR CARL ALLEN REPORTED TO EMBASSY IN CONFIDENCE THAT COLGATE WILL LIQUIDATE ITS NIGERIAN MANUFACTURING OPERATION (TOOTHPASTE AND DETERGENTS) BY END OF 1977. FIRM HOPES TO MAINTAIN CURRENT DOLLARS 3 MILLION MARKET THROUGH EXPORT SALES.

2. ALTHOUGH SENIOR BLAMED 1977 INDIGENIZATION DECREE AND FEAR OF FUTURE INDIGENIZATION LOSSES FOR COLGATE DECISION, HE LATER ADMITTED THAT COLGATE "HAD NOT BEEN PARTICULARLY SUCCESSFUL IN NIGERIA." COLGATE'S CURRENT MARKET SHARE IS NOT LARGE ENOUGH TO SUPPORT ITS MANUFACTURING FACILITY, AND COLGATE BELIEVES LEVER BROTHERS MARKETSDOMINATION IS UNASSAILABLE. AFTER 12 YEARS OF OPERATION HERE, COLGATE HAS ONLY RECENTLY BEGUN TO CLEAR A MARGINAL PROFIT OF 1 TO 2 PERCENT AND IS STILL BURDENED WITH DOLLARS 750,000 IN EARLY YEARS LOSSES.

3. FUTURE COMPANY POLICY IS TO SELL LOCAL DISTRIBUTION NETWORK TO LOCAL INTERESTS AND PROTECT COLGATE TRADEMARK.

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EASUM

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CLOSURE OF OFFICES, BUSINESS LOSSES
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LAGOS06959
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770221-0259
Format: TEL
From: LAGOS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770636/aaaabfhw.tel
Line Count: 62
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c1516479-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 04-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2084812
Secure: OPEN
Status: NATIVE
Subject: COLGATE-PALMOLIVE TO END NIGERIAN MANUFACTURING OPERATION
TAGS: EINV, NI, COLGATE-PALMOLIVE
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/c1516479-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009